



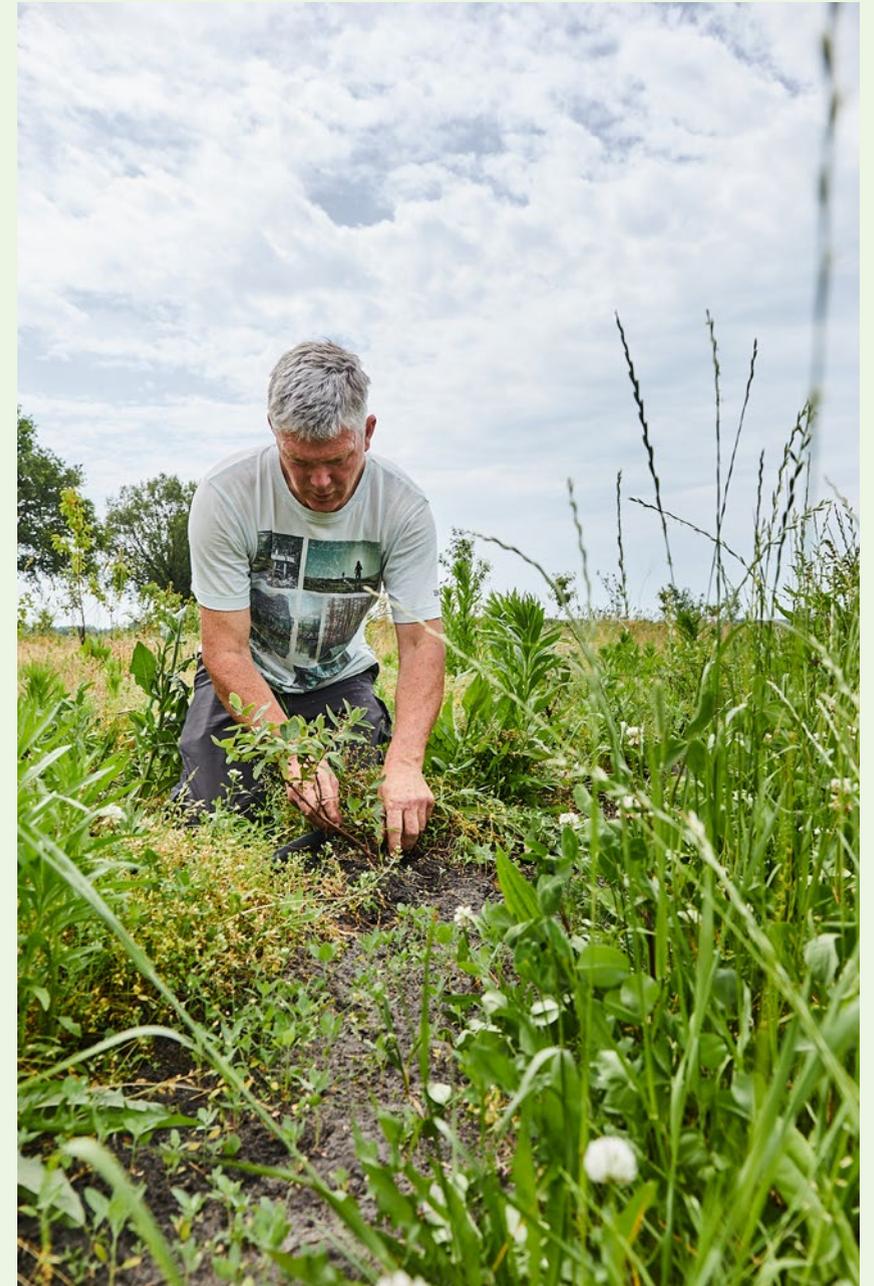
ESG policy 2023-2025

Investing in
perpetual value

ASR Dutch Farmland Fund

Mission

“We create **perpetual value** for our investors and society by investing in sustainable and fertile farmlands.”



Environment, Social & Governance (ESG)

The Fund's vision on Environmental, Social and Governance (ESG) criteria is to accommodate the interests of tenants and investors in the best possible way by creating and maintaining farmland investments that have long-term value from a financial, environmental and a social perspective, and to achieve this in a sound and responsible manner with engaged and aware partners and employees.

The Fund has its own annual ESG policy which sets out its specific sustainability objectives. This policy is also published on the website of a.s.r. real estate. The Fund's aim is to position itself as a sustainable fund that has an impact on the Dutch agricultural sector by encouraging farmers to apply the principles of climate-smart agriculture (CSA). These principles motivate farmers to pass on their valuable assets to the next generation in better condition, measured in soil quality.

Enhancing soil quality improves yields for both the Fund and the farmers. A thorough investment and management process, with a focus on the further development, propagation, implementation and monitoring of sustainable soil management, is key to achieving

the Fund's environmental and social objectives. To work towards these goals, the Fund develops strategic ESG objectives around five themes:

1. Environment
 - a. Sustainable productivity and sustainable farmer's income
 - b. Reducing greenhouse gas emissions
 - c. Adapting to climate change and improving biodiversity
2. Social
3. Governance

The Fund takes a leading position in furthering transparency and accountability in sustainable farmland investing by applying its climate-smart agriculture strategy

a.s.r. real estate platform

a.s.r. real estate has been investing in real estate for more than 130 years and manages investments for institutional investors. a.s.r. real estate has one fund per real estate sector and invests in renewables.



ASR Dutch Farmland Fund



ASR Dutch Core Residential Fund



ASR Dutch Prime Retail Fund



ASR Dutch Mobility Office Fund



ASR Dutch Science Park Fund

Executive summary

a.s.r. real estate:
pedigree of more than

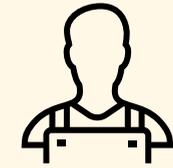
130
years



100%
green leases for
new ground lease
agreements for dairy
farmers in 2025



36,600
hectares



Investing with
Impact: addition of
450 hectares
of young farmers'
ground lease
agreements



'Open bodemindex'
applied further throughout
portfolio



Design
biodiversity
plan in 2023



Investing in perpetual value translates to:

Environment



Dedicated to
decarbonisation

Social



Making a positive impact
on society

Governance



Compliant with
sustainability regulations

Background

Our climate-smart agriculture strategy addresses key global challenges.

The Dutch food sector is world-leading in terms of technological innovation. The Fund is proud to be part of this sector and supports the role that this highly knowledgeable and well-organised sector plays in the global food supply. The provision of food is an important ecosystem service. The availability of healthy food for a growing population is not a given, but a result of decades of knowledge transfer and innovation by agricultural entrepreneurs, knowledge centres and governments. The Fund foresees an acceleration of technological innovation and aims to support this development as it contributes to food security, food quality and sustainability.

The Fund takes a leading position in furthering transparency and accountability in sustainable farmland investing by applying its climate-smart agriculture strategy. The strategy consists of three pillars.



Sustainable productivity and sustainable farmer's income

First, the Fund aims to contribute to sustainable productivity and income for farmers in the sector. Maintaining and improving the quality of the soil and applying sustainable agricultural practices are key to creating long-term value. Two key initiatives for this objective are the 'Open bodemindex' (OBI) and our new green lease products. In this business plan period, the Fund will implementing these two initiatives.



Reducing greenhouse gas emissions

Second, we will honour our commitment to the Paris agreement by implementing an ambitious greenhouse gas emission reduction strategy for the Fund's portfolio. The Fund has already completed a baseline assessment, that

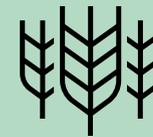
includes the carbon emissions and carbon capture of each of the Fund's farmland assets, and set ambitious but achievable reduction objectives.



Adapting to climate change and improving biodiversity

Third, the Fund aims to support our clients to adapt to climate change through (preferably nature based) solutions that provide alternative income sources and that contribute to improvement of biodiversity on our farmlands. The Fund has already designed plans for these solutions such as the 'Transition Roundabout' and the Fund's 'Landscape elements' projects and will set up a biodiversity plan in 2023.

Key global challenges



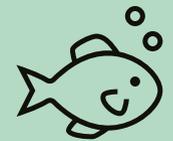
Food security and food quality

- Access to affordable and healthy food is not a given
- Increase sustainable food production to feed the growing population



Climate change

- Climate change is a fact
- One decade to return to 1.5% degrees warming path



Biodiversity loss

- Worldwide reduction of species by 60% since 1970
- Combatting biodiversity loss and degradation of ecosystems

Strategic objectives 2023-2025

While ESG identifies the key aspects to become future-proof, the themes must complement each other to achieve the Fund's mission. The Environment and Social themes both have their own strategic objectives, which are listed in the table on the right. For the Governance theme a checklist applies. The Fund revises its one-year and three-year goals on an annual basis.

Strategic objectives 2023-2025

Strategic objectives	Target 2023	Target 2025
Environment		
<i>Sustainable productivity and sustainable farmer's income</i>		
Soil use - Portfolio contributes to food supply (% of portfolio)	≥ 80%	≥ 80%
Soil quality - Tenant participation in 'Open bodemindex' (% of portfolio)	≥ 10%	≥ 20%
Green leases for new ground lease agreements for arable farmers	≥ 60%	≥ 80%
Green leases for new ground lease agreements for dairy farmers	≥ 90%	100%
Green leases for existing agreements	≥ 10%	≥ 20%
<i>Reducing greenhouse gas emission</i>		
Carbon footprint (tons CO ₂ -equivalent per hectare)	≤ 15.2	≤ 14.5
Allocate suitable farmland for renewable energy (# of projects / year)	≥ 5	≥ 5
Expand our emission reduction plan with nitrogen emissions and water quality	Design Plan	Execute Plan
<i>Adapting to climate change and improve biodiversity</i>		
Climate adaptation - landscape elements (# of projects / year)	≥ 5	≥ 15
Making agricultural land available for the development of sustainable initiatives and alternative crops (# hectares)	100	200
Improve local biodiversity	Design plan	Execute plan
Social		
<i>Community & Tenants</i>		
Tenant satisfaction	≥ 7.5 / 10	≥ 7.5 / 10
Active tenant participation programme (# of events / year)	≥ 2	≥ 2
Facilitate young farmers (# of hectares new young farmers ground leases / year)	150	150
Facilitate and publish agricultural confidence index (# of publications / year)	4	4
<i>Our employees</i>		
Employee satisfaction rating (eMood@ score)	≥ 7.5	≥ 7.5
Personal development		
- Training (% of annual salaries)	≥ 1%	≥ 1%
- Sustainable employability (% of annual salaries)	≥ 1%	≥ 1%
Health & well being (eMood@ vitality score)	≥ 7.5	≥ 7.5
Governance		
Compliant		
Alignment with sustainability guidelines	✓	
- SDGs	✓	
- SFDR article 8	✓	
Sound business practices	✓	





Environment

We aim to decarbonise our portfolio and make a positive impact on nature, society and climate. We do this by reducing greenhouse gas emissions, promoting sustainable productivity and restoring ecosystems. This leads to a future-proof and climate-adaptive portfolio.

- **Sustainable productivity and sustainable farmer's income**
- **Reducing greenhouse gas emissions**
- **Adapting to climate change and enhance local biodiversity**



Sustainable productivity and sustainable farmer's income

Portfolio contributes to food supply

The soil is the most important source for our food production and the long-term value creation in the Fund depends on healthy soils. The Sustainable Development Goal (SDG) of Zero Hunger aspires to end all forms of hunger and malnutrition ensuring that all people, especially children, have sufficient, nutritious food year-round. The Fund aims to contribute to this SDG by making at least 80% of the portfolio available for food supply.

Objective
Soil use -
Portfolio contributes to
food supply
(% of portfolio)

2023
≥ 80

2025
≥ 80

Development of the 'Open bodemindex' (OBI)

We are convinced that farmers can make a significant contribution to the various ecological services such as water quality, water retention, biodiversity etc. Sustainable soil management is key in this process and acknowledged by every farmer. However, due to financial constraints, sustainable soil management is not implemented in full by every farmer. a.s.r. therefore developed the 'Open bodemindex' in close cooperation with its charter coalition partners Rabobank and Vitens. The 'Open bodemindex' received national recognition when it was integrated in the public private partnership Beter Bodembeheer. It measures the health of the soil and looks at chemistry, biology and structure.

The 'Open bodemindex' has been placed in an independent foundation ('Stichting Open bodemindex') for which Jan Arie Koorevaar was appointed as director in 2022. His ambition for the foundation is to further develop the 'Open bodemindex' in close cooperation with farmers and relevant parties. The current OBI score is based on the continuation of current agricultural use. The aim of the foundation is to develop the score into an integral soil score which also takes into account the impact on climate and water quality.

Objective
Soil quality -
Tenant participation
in 'Open bodemindex'
(% of portfolio)

2023
≥ 10

2025
≥ 20



Green lease products

Next to engaging with our farmers and including our sustainability objectives in our acquisition decisions, the Fund also aims to contribute financially and reward farmers for the transition they are making. Our green lease products are available to all clients, with both new and existing contracts, and provide a discount (5-10% on the annual rent) if a farmer commits to a set of sustainable farming criteria. The criteria consist of three categories:

1. Implementation of the 'Open bodemindex' to measure and report on soil quality;
2. Implementation of biodiversity measures in line with the Nature and Landscape management framework of the Dutch government; and
3. A detailed business plan that includes farm-specific sustainability measures and compliance with the criteria in the EU Common Agriculture Policy.

Objective
Green leases for new ground lease agreements for arable farmers
 (% of hectares acquired)

2023
 ≥ 60
 2025
 ≥ 80

Objective
Green leases for new ground lease agreements for dairy farmers
 (% of hectares acquired)

2023
 ≥ 90
 2025
 100

Objective
Green leases for existing agreements
 (% of existing contracts)

2023
 ≥ 10
 2025
 ≥ 20

Reducing greenhouse gas emissions

The Commitment

The Fund aims to be a frontrunner in furthering transparency and accountability in sustainable farmland investing, and this is why the Fund developed an ambitious greenhouse gas reduction strategy. The agriculture sector plays a crucial role in reducing greenhouse gas emissions, and our Paris Proof commitment in 2045 plays a central role in the Fund's strategy.

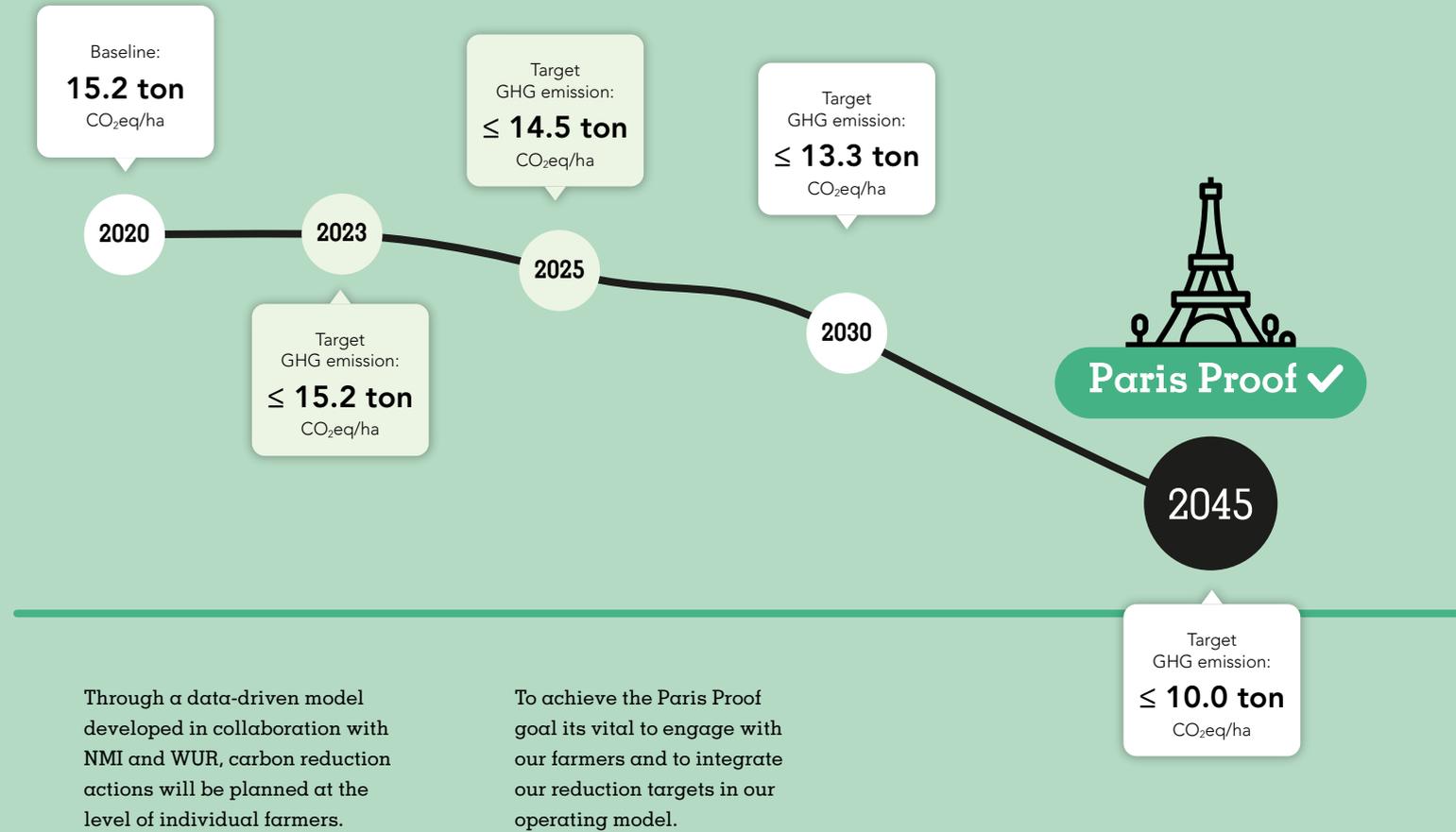
In 2022 the Fund draws up an ambitious roadmap that matches the characteristics of our portfolio. We set up ambitious but realistic objectives to reduce the emissions in our portfolio even more ambitious than the objectives as mentioned in the national Climate Agreement for the agriculture sector as presented by the Ministry of Agriculture, Nature and Food Quality.

The Roadmap

The Fund's Roadmap is developed in collaboration with Nutriënten Management Instituut (NMI) and Wageningen University & Research (WUR). The Roadmap has led to improved insights in the current carbon emission of our portfolio and the perspectives for action that should contribute to the reduction objectives.

For the contribution of our individual plots in relation to the national objectives, the national reduction target has been analysed and converted to our portfolio. Based on the analysis, the emission is quantified, both for the current situation and for the situation in which all kinds of measures have been taken (the maximally feasible scenario).

Paris Proof roadmap: Energy intensity



Baseline emissions 2020

Category	Emission source	Emissions 2020 (kton CO ₂ -eq)	Emissions 2020 (ton CO ₂ -eq/ha)
CO ₂ from soil	Mineralisatiton	158	4.6
CO ₂ from soil	Peat degradation	203	5.9
Methane	Dairy farming	150	4.4
Nitrous oxide	Fertilisation	186	3.4
Other	Fuel, energy, etc.	25	0.6
CO ₂ capture		(170)	(4.7)
Net emissions		550	15.2

Emission reduction measures

To achieve the Fund's ambition reduction objectives a set of measures has been determined to achieve our objectives. In 2023 we will continue our assessment to decide which measures will be implemented.

Technical measures:

- permanent grassland
- less plowing
- green manures
- non-turning tillage
- underwater drainage
- manure separation techniques
- cattle feed supplements
- precision fertilisation

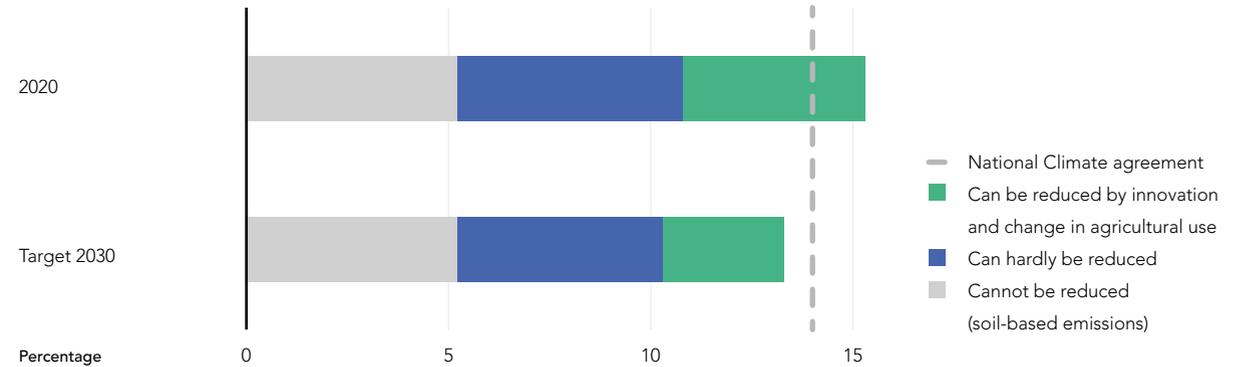
Usage change measures:

- exentsification or wetting of peat meadow area
- less cows
- agricultural nature management
- less fertilisation
- natural fertilisation
- regenerative agriculture

Portfolio composition

- Less peat meadow plots in portfolio
- Less dairy farms in portfolio
- More organic farming instead of conventional farming

ASR DFLF's emission reduction strategy towards 2030



Objective
Carbon footprint
(tons CO₂-equivalent per hectare)

2023
≤ 15.2

2025
≤ 14.5

Objective
Expand our emission reduction plan with nitrogen emissions and water quality

2023
Design plan

2025
Execute plan



Renewable energy

Through its dispersed ownership of farmland the Fund is well positioned to facilitate energy parks. According to the ‘zonneladder’ policy conducted by government, the Fund decided to cooperate with our lessees to allow energy parks on farmland.

Investments in wind and solar parks offer the opportunity to achieve sustainability goals and contribute to the energy transition. They enable a.s.r. to create impact. They also enable farmers to derisk their business model as energy parks provide a guaranteed cash flow based on subsidies for the first 15 years.

Policy-makers like the so-called ‘Regionale Energie Strategieën’ define the areas where energy parks are most likely to be erected. Based on the total predicted hectares, the Fund will define an objective for the numbers of projects to be set aside for energy parks.

Objective

Allocate suitable farmland for renewable energy

(# of projects / year)

2023

≥ 5

2025

≥ 5

Adapting to climate change and improving biodiversity

Farmers have been associated with nature for thousands of years and have the ability to adapt to changing circumstances. Climate change plays a major role in this. We see adapting to this as one of the most important challenges. In order to make the sector resistant to climate change, we are in close contact with knowledge centres and enterprising farmers. We also test promising crops and cultivation methods jointly with farmers. This together contributes to the choices in techniques and varieties with future possibilities that can be scaled up.

The Fund will actively support new sustainable initiatives by making agricultural land available for the development of these initiatives (e.g. alternative (biobased) crops, new farming techniques or alternative revenue streams from payment for ecosystem services). An example of such a sustainable initiative is the 'transition roundabout' project conducted jointly with NextEconomy. The aim of the project is to create a platform for climate adaptation and alternative income solutions.

The platform should function as a knowledge centre and an incubator of new business models for both the technical as well as the economic aspects of these new solutions.

Furthermore, the Fund will directly invest in 'landscape elements' on the farmlands in our portfolio. We plan to launch five projects in 2023 and increase the number of projects to 15 in 2025. In order to gain more knowledge of designing landscape elements and the effects of these landscape elements on the climate, biodiversity and the (healthy) living environment, a study assignment has been awarded to HAS University of Applied Sciences. The Fund has the ambition to accelerate the landscape elements project and is exploring the possibilities for a collaboration with the SBNL Foundation ('Stichting SBNL').

Objective
Climate adaptation - landscape elements
(# of projects / year)

2023
≥ 5

2025
≥ 15

Objective
Making agricultural land available for the development of sustainable initiatives and alternative crops
(# hectares)

2023
≥ 100

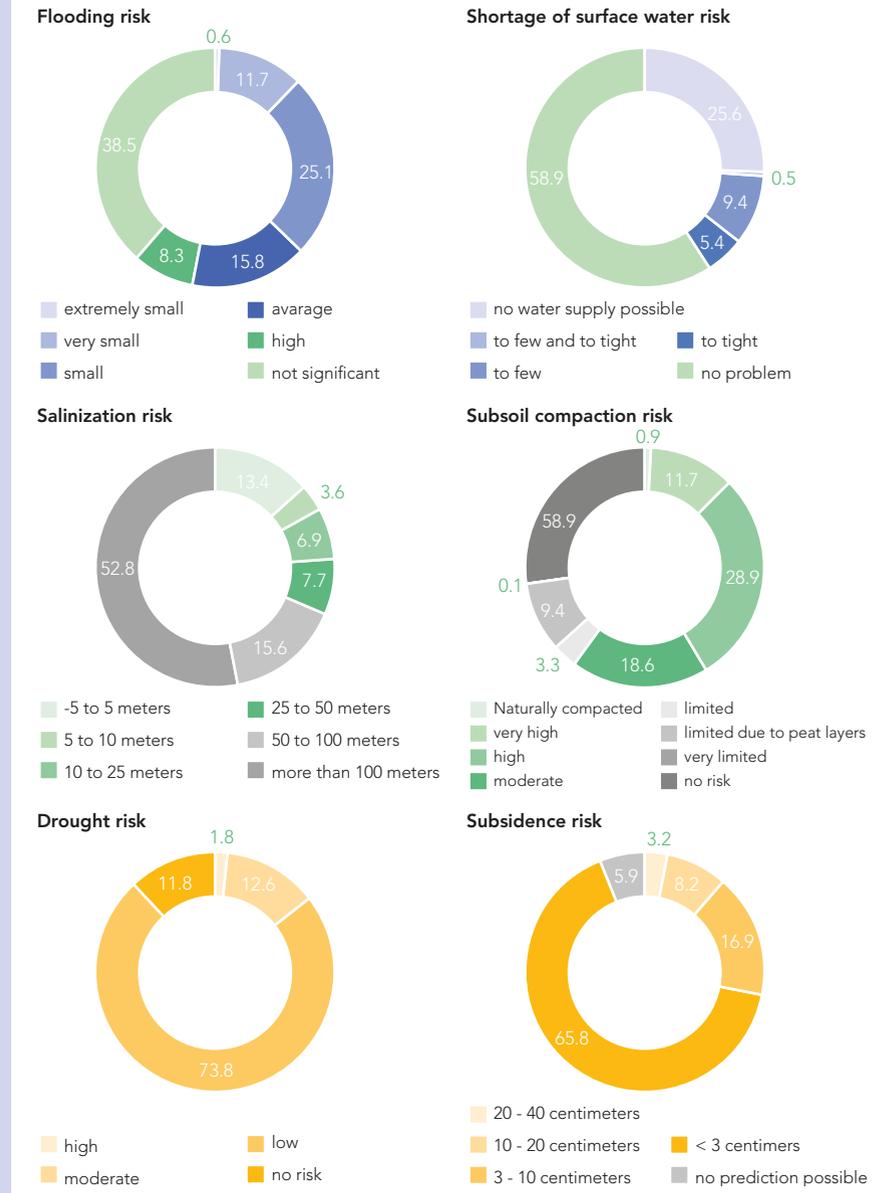
2025
≥ 200

Objective
Enhance local biodiversity

2023
Design plan

2025
Execute plan

Climate risk monitor





Social

We aim to make a positive impact on society, enhance engagement and improve community standards for our tenants and employees. We value diversity, inclusion and well-being within both our organisation and communities. Therefore, we continue to challenge our impact and added value on the social factors of our portfolio.

→ Community & Tenants

Tenant satisfaction rating of at least 7.5

Farmers' knowledge-sharing events

Facilitate young farmers (# of hectares young farmers ground lease agreements)

Facilitation and publication of agricultural confidence index

→ Our employees

Community & Tenants

Tenant satisfaction rating of at least 7.5

A tenant satisfaction survey is conducted periodically, at least every two years. It includes questions about the quality of service provided by a.s.r. and, if applicable, the manager in question. The 2022 tenant satisfaction survey identified a number of areas that would increase customer satisfaction and improve the performance of a.s.r. real estate and its contractors with regard to quality of service

The average rating in the tenant satisfaction survey is currently 7.4 out of 10, just below our objective of 7.5.

Objective
Tenant satisfaction
(score out of 10)

2023
≥ 7.5

2025
≥ 7.5

Farmers' knowledge-sharing events

Although farmers are already tremendously skilled, in our workshops we try to find out which areas of their skill set they would like to improve. Over the last few years we have worked with a consulting firm that is very knowledgeable on soil treatment and soil fertility. The Fund will continue to organise workshops, as we consider knowledge sharing an important part of the transition.

Objective
Active tenant participation programme
(# of events / year)

2023
≥ 2

2025
≥ 2



Impact Investing: making an impact for sustainable agriculture and beyond

The Fund is not an impact investment vehicle. Nonetheless, a large part of its investments have a societal impact. Therefore, the Fund has developed an impact investment strategy in 2022. Whereas our ESG policy applies to our entire portfolio, our impact strategy applies only to the part of our portfolio that complies with our impact criteria.

The impact strategy focuses on two objectives:

Further strengthening the Fund's impact on the transition of the Dutch agriculture sector.

We are continuously looking for opportunities to play an active role in the improvement of agricultural practices and the impact of these practices on climate and biodiversity. This is done by supporting the sustainable use of our farmlands by the farmers that lease these lands. The fund has defined criteria for sustainable agriculture that qualify for our impact investing portfolio:

- Contracts that comply with the sustainability criteria that are used for our green lease discount
- Our young farmers ground lease contracts, that also include our sustainability criteria

Broadening the impact of the Fund's portfolio on other important transition themes.

Demand for farmlands does not only come from the agriculture sector. Important themes such as the expansion of nature and the energy transition require more land. In that sense, the Fund manages a scarce resource that has a lot of potential to create long-term societal value for multiple societal challenges. This part of our impact strategy will initially apply to a maximum of 20% of our portfolio. The following land transaction are categorised in this part of our impact investing portfolio:

- Land that is made available for renewable energy
- Land that is made available for nature and recreation

Facilitate young farmers

To ensure that our food production is also guaranteed in the future, we must invest in young farmers who want to start or take over a business. Initiatives to encourage young farmers who want to start or take over a business and who want to invest in sustainable business development are perfectly in line with the Fund's ambition to create perpetual value within a green and vital agricultural sector. In daily practice the Fund has to meet the growing demand from young farmers for a customised product that makes it possible to obtain investment space in a responsible manner.

Objective

Facilitate young farmers

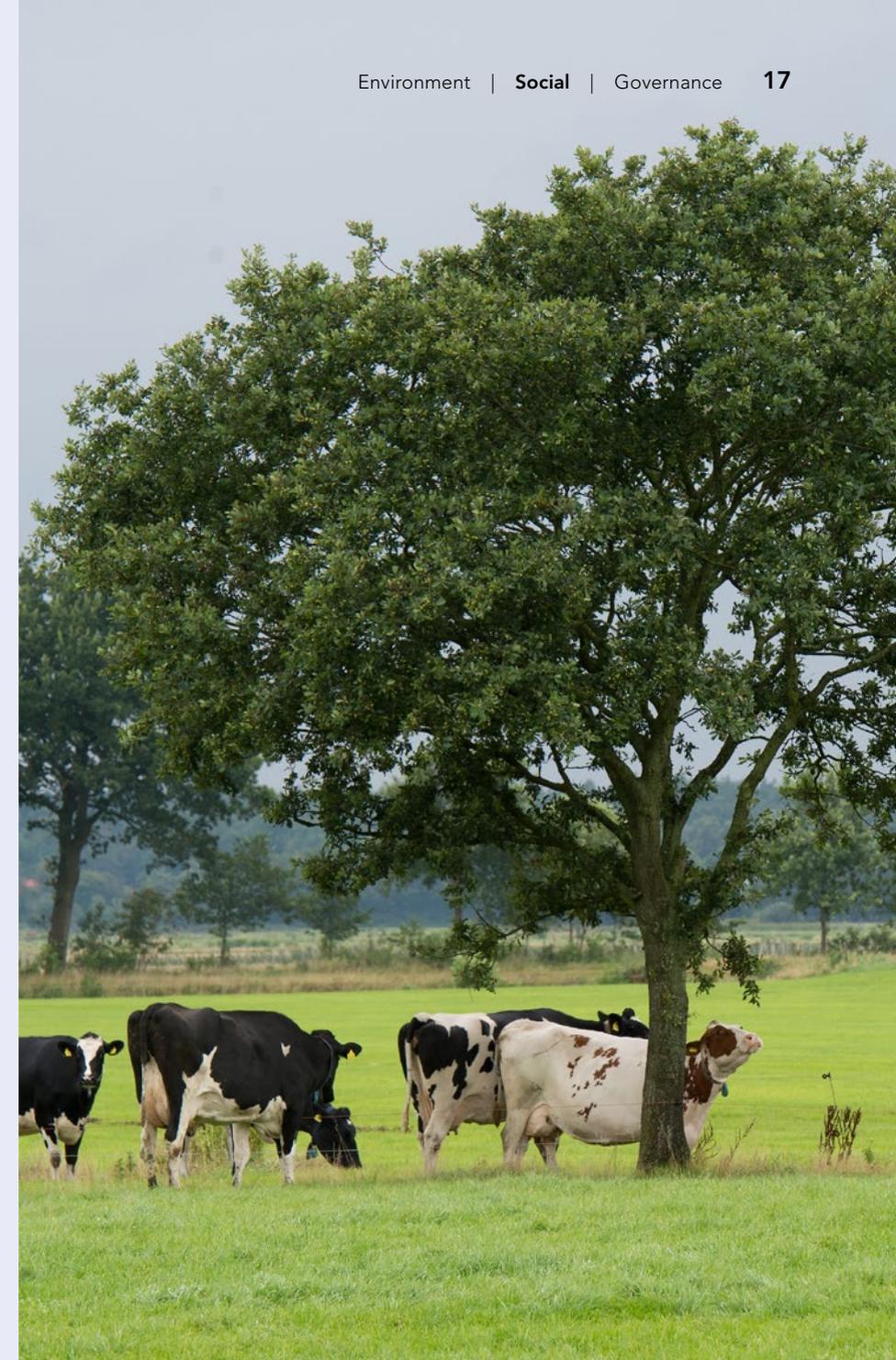
(# of hectares young farmers ground lease agreements per year)

2023

150

2025

150





Facilitation and publication of agricultural confidence index

The Agricultural Confidence Index ('agro vertrouwensindex') provides regular insight into sentiment among agricultural entrepreneurs in the Netherlands. In addition to the sentiment of entrepreneurs, the developments in a number of important business factors, such as production costs, selling price, turnover and profit, are also enquired about. As a result, this index provides an up-to-date insight into the state of affairs in the agricultural sector every quarter and a preview of the short and longer term.

The Agricultural Confidence Index gives the Fund an up-to-date, scientific and representative insight into the sector. Looking ahead makes it possible for the Fund to respond to developments and adjust the strategy if necessary.

Objective

Facilitate and publish agricultural confidence index

(# of publications / year)

2023

4

2025

4

Our employees

Employee satisfaction rating

a.s.r. sends out a weekly survey: the Employee Mood Monitor (eMood®). This tool, which was developed in-house, is intended to provide up-to-date information on the well-being and connectedness of a.s.r.'s employees. The eMood® survey considers three categories:

- Employee satisfaction
- Vitality
- Productivity

An analysis of the results can provide insight into the needs of a.s.r. real estate employees. Where necessary, steps are taken to improve a.s.r. real estate's standing as an excellent employer.

Objective
Employee satisfaction rating
(eMood® score)

2023
≥ 7.5

2025
≥ 7.5

Health & well-being

Prioritising health and well-being and avoiding stress in the workplace is an important issue. Awareness, prevention and guidance are three important instruments in this regard. a.s.r. provides a wide range of workshops and has a dedicated team to support employees. It also devotes a lot of attention to ensuring a healthy office (or home office) and flexible working conditions.

The weekly eMood® survey provides specific insight into the vitality of a.s.r. real estate employees. Additionally, the health and well-being of employees are formally monitored every three years.

Objective
Health & well-being
(eMood® vitality score)

2023
≥ 7.5

2025
≥ 7.5

Personal development

The main focus of the a.s.r. human resource management policy is personal development of its employees in terms of professional expertise, competences and skills. 1% of annual salaries is devoted to training and development and 1% is devoted to sustainable employability. A dedicated HR team provides guidance for employees who wish to develop their talents and take control of their own future by developing their talents, moving to another position (sustainable employability) or leaving a.s.r.

Objective
Training
(% of annual salaries)

2023
≥ 1%

2025
≥ 1%

Objective
Sustainable employability
(% of annual salaries)

2023
≥ 1%

2025
≥ 1%

Diversity & Inclusion

The belief within a.s.r. is that differences make the organisation stronger and better, and a.s.r. stands for equal opportunities for all. We strive for an inclusive culture, in which differences are recognised, appreciated and put to positive use. Specifically, this is based on awareness of the importance of diversity in areas such as gender, age, religious beliefs, physical and mental abilities, background and orientation.

Every year, a.s.r. has an organisational success measurement carried out by Denison. In the Diversity & Inclusion module the progress within the organisation is measured on the basis of four pillars:

- perceptions of inclusion and respect;
- a working environment that is safe and free from discrimination;
- fair and equal access to opportunities;
- leadership with an eye for diversity values.

In the 2022 measurement, a.s.r. was among the top 25% of companies participating in the survey. In 2023 and 2024, we aim to at least maintain this position.



Employees of a.s.r. real estate

The belief within a.s.r. is that differences make the organisation stronger and better, and a.s.r. stands for equal opportunities for all

Gender equality

Within a.s.r.'s Diversity, Equality & Inclusion policy, gender equality is one of the central themes.

There are targets to promote diversity in the composition of the workforce and equal pay for equal work. To monitor whether the policy is also working well in practice, an advanced Gender Pay Gap analysis is conducted annually.

Pay Gap analysis 2022

Across the entire population, the average gross hourly wage for women is 17% lower than for men at a.s.r. However, this difference is explained by the fact that women tend to do different types of work (in lower salary brackets) than men (in higher brackets) and that, on average, women have less work experience.

Adjusted for these factors, there is no pay gap between men and women within a.s.r.

Ambition goes further than equal pay

The ambition of a.s.r. is also to achieve a more proportionate distribution of men and women in management and specialist positions. This improvement must come from the internal

advancement of women, but also from an influx of more women. This is being actively pursued through, for example, training for managers, diversity in employer branding, anonymous applications and diverse composition in job interviews.



Governance

In accordance with our mission of 'investing in perpetual value', we believe sustainability is a key factor in our long-term strategy. To achieve our strategic objectives we have a dedicated sustainable governance framework in place and we closely participate in, align with and comply to sector-wide sustainable initiatives, guidelines and regulation.

- **Alignment with sustainability guidelines**
- **Sound business practices**



Alignment with sustainability guidelines

The Fund's strategy is aligned with guidelines set by the following organisations:

UN Principles for esponsible Investment

a.s.r. obtained an UNPRI A+ rating for its strategy and governance and an A rating for its properties.



UN Global Compact

a.s.r. signed up to the UNGC in 2011, embracing, supporting and implementing (within its sphere of influence) its principles relating to human rights, labour standards, the environment and the fight against corruption.



TCFD

The Manager, as part of a.s.r., has adhered to TCFD since 2019. TCFD is an industry-led initiative for consistent disclosure of climate-related financial risks and opportunities.



UN Sustainable Development Goals (UN SDGs)

The UN SDGs selected by a.s.r. as well as the Fund are an integral part of the ESG policy.



Finance for Biodiversity pledge

a.s.r. signed the Finance for Biodiversity pledge, with the intention to commit to protecting and restoring biodiversity through the finance activities and investments. The pledge was launched on 25 September 2020.



Dutch Insurance Code

The Manager, as part of a.s.r., has adhered to the Dutch Insurance Code since 1 January 2011.



SFDR & EU Taxonomy

a.s.r. real estate and the Fund are compliant with the SFDR (European Union Sustainable Finance Disclosure Regulation). The Fund qualifies in accordance with Article 8 of the SFDR. The Fund strives to be compliant with future SFDR and EU Taxonomy regulations.



SDGs

In 2015 the Sustainable Development Goals (SDGs) were endorsed by all United Nations member states to enhance sustainable development at the global level. Ahead of 2030, these goals provide a shared blueprint for eradicating global poverty and inequality, combating climate change and creating a prosperous and peaceful life for all.

The Fund actively contributes to the SDGs which are outlined on this page.



ASR DFLF actively contributes to four SDGs



The Fund aims to contribute to target 2.4: 'ensure sustainable food production systems ... that increase productivity ... and that progressively improve land and soil quality'. The Fund does this by implementing the 'Open bodemindex', by measuring and reducing greenhouse gas emissions in our portfolio and through our green lease products.



Through the 'Open bodemindex' and by awarding sound farming practices with our green lease products, the Fund contributes to target 12.4: 'environmentally sound management of chemicals and all wastes ... and significantly reduce their releases to air, water and soil in order to minimise their adverse impacts on human health and the environment'.



Last year the Fund's Paris Proof commitment was further specified, resulting in an ambitious reduction strategy up to 2045 for the Fund's portfolio. The Fund is already measuring the carbon footprint of the Fund's portfolio, resulting in a greenhouse gas emission of 15.2 tons of CO₂-equivalent per hectare. The Fund will integrate reduction targets in our strategies and planning (target 13.2) and will help our farmers in building resilience and adapting to climate change (target 13.1).



By signing the Finance for Biodiversity pledge, the Fund is committed to protecting and restoring biodiversity through finance and investment activities, and thereby also committed to target 15.a. With the implementation of the 'Open bodemindex', the Fund aims to contribute to biodiversity in the soil. By financing landscape elements on the Fund's farmlands, the Fund is taking a first step in contributing to biodiversity on land. In 2023 the Fund will develop a biodiversity plan to further specify the next steps to be taken.

Sound business practices

For a.s.r. real estate, it goes without saying that corporate social responsibility can only be fully embedded by means of sound, transparent business practices. Important principles of a.s.r.'s governance are its Integrity & Compliance regulation, Risk Management, Code of Conduct, Privacy Policy, Customer Due Diligence policy and Whistleblowing procedures. Furthermore, a.s.r. real estate has been licensed under the AIFMD by the Dutch authority AFM since 2015 as a provider of financial services in the field of collective and individual asset management.

In 2020, a.s.r. addressed the issue of China violating human rights among the Uyghurs, a Turkic ethnic group, who were forced to mine raw materials for PV panels. The Company decided to tighten the screening procedure for all PV panel projects to ensure that it only partners with manufacturers that are not related, directly or indirectly, to China's suspected violation of the human rights of the Uyghurs.

SFDR & EU Taxonomy

In 2018 the EU released an action plan for financing sustainable growth, based on three pillars: reorienting capital flows towards sustainable investments, mainstreaming sustainability into risk management and fostering transparency and long-termism in financial and economic activities. A package of measures was adopted, two of which apply to the Fund: SFDR and EU Taxonomy.

- The Fund adheres to the EU Sustainable Finance Disclosure Regulation (SFDR) and has published the SFDR statement on its website. Under this Disclosure Regulation, the Fund is classified as a financial product that promotes environmental characteristics within the meaning of Article 8(1) of Regulation (EU) 2019/2088. As of 1 January 2023, the second set of rules must be in place for the Level 2 SFDR. The Fund will be compliant with this regulation and will keep up with new regulations.
- The EU Taxonomy regulation reflects a common European classification system for environmentally sustainable activities. Details about the EU Taxonomy Regulation can be found in the Fund's prospectus.

EU Taxonomy Alignment

At the moment, the Manager has not been able to provide any relevant disclosures under the EU Taxonomy Regulation, as the underlying investments of the Fund are in economic activities that focus solely on the agriculture sector. The screening criteria with respect to the agriculture sector have been removed by the

European Commission from an earlier draft version of the EU Taxonomy Climate Delegated Act (see the European Commission's 'FAQ: 'What is the EU Taxonomy and how will it work in practice?' dated 21 April 2021, page 9) and will be included in a complementary delegated act of the Taxonomy Regulation. As a result, the current EU Taxonomy Climate Delegated Act does not provide for any relevant screening criteria for the Fund and, therefore, the Manager is not able to assess whether the economic activities in which the Fund invests qualify as environmentally sustainable within the meaning of article 3 of the Taxonomy Regulation. The Manager notes that it is ensured that the economic activities in which the Fund invests are carried out in compliance with the minimum safeguards laid down in article 18 of the Taxonomy Regulation.

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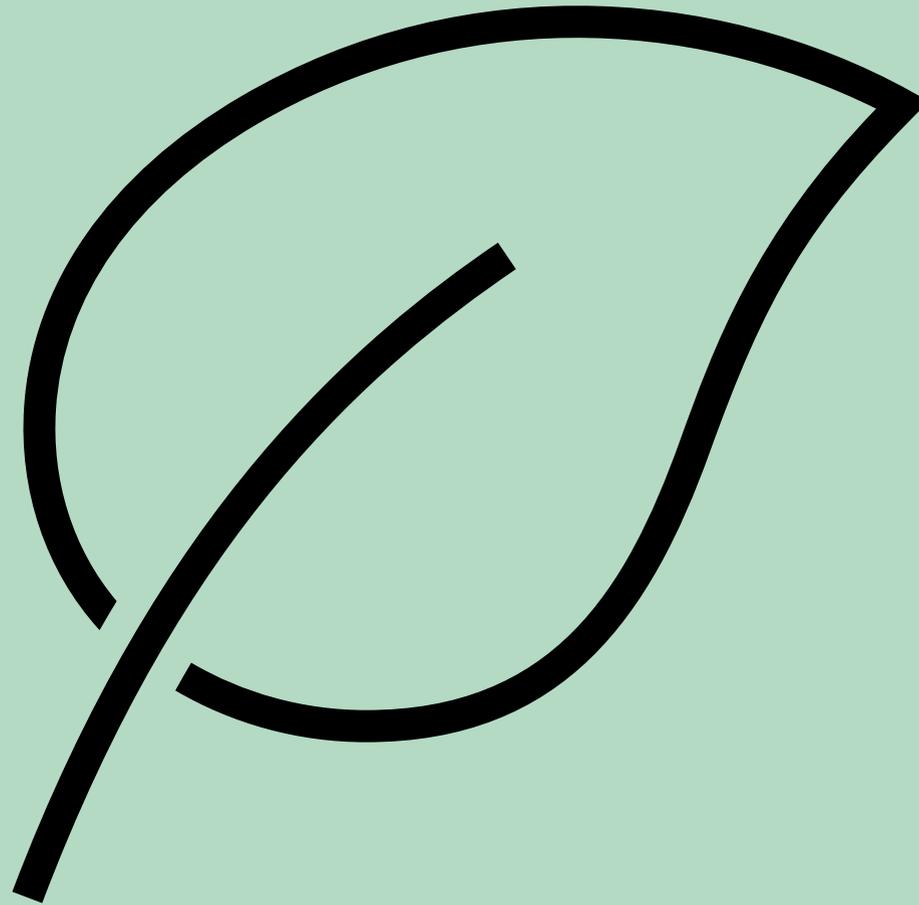
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